

4900.1230 ELIGIBILITY REQUIREMENTS.

Subpart 1. **For applicants.** To be eligible for selection for a cooperative or rental multifamily housing innovative loan, an applicant shall satisfy the following requirements:

A. The applicant shall be either a cooperative housing corporation or a limited dividend entity.

B. The applicant shall demonstrate the ability to organize and complete the project.

C. The applicant shall demonstrate that it has, or will have, the ability to repay the cooperative or rental multifamily housing innovative loan, and to obtain other financing, if needed, at the expiration of the loan.

D. The applicant shall have developed a training and education program for the residents of the project, and shall include a copy of the program with its application for a loan. The training and education program must include, at a minimum:

(1) details of how the resident association will be organized and operated;

(2) what the legal rights of the residents and the association are, and how the residents will be advised of these rights;

(3) what the financial interests and obligations of the individual residents and the association are, and how the residents will be advised of such obligations; and

(4) how the project will be managed and maintained.

Subp. 2. **For projects.** To be eligible for selection for a cooperative or rental multifamily housing innovative loan, a project must satisfy the following requirements:

A. The project must be located in Minnesota.

B. The project must be in the form of a cooperative or rental multifamily housing development, which is either owned and operated on a nonprofit cooperative basis by the residents or owned by a limited dividend entity and operated by a residents' association.

C. The operation and management of the project must be substantially under the control of a democratic residents' association, which shall include the filling of housing unit vacancies.

Statutory Authority: *MS s 462A.06*

History: *9 SR 296*

Published Electronically: *June 11, 2008*